

Regular Session, 2010

SENATE BILL NO. 107

BY SENATOR RISER

WORKERS' COMPENSATION. Provides with respect to those included in the workers' compensation system. (8/15/10)

1 AN ACT

2 To amend and reenact R.S. 23:1035(A), relative to persons covered by workers'
3 compensation; to provide with respect to corporate officers, members of a limited
4 liability company, and sole proprietors to elect not to be covered by workers'
5 compensation; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 23:1035(A) is hereby amended and reenacted to read as follows:

8 §1035. Employees covered

9 A. The provisions of this Chapter shall also apply to every person
10 performing services arising out of and incidental to his employment in the course of
11 his own trade, business, or occupation, or in the course of his employer's trade,
12 business, or occupation, except that the bona fide president, vice president, secretary,
13 or treasurer of a corporation who owns not less than ten percent of the stock therein,
14 or a partner with respect to a partnership employing him, or a member of a limited
15 liability company as defined in R.S. 12:1301(A)(13) who owns not less than a ten
16 percent membership interest therein, or a sole proprietor with respect to such sole
17 proprietorship may by written agreement with his insurer or group self-insurance

fund elect not to be covered by the provisions of this Chapter. Such election shall not be limited, but shall apply to all trades, businesses, or occupations conducted by said corporation, partnership, limited liability company, or sole proprietorship. Such an election shall be binding upon the employing corporation, partnership, limited liability company, and sole proprietor and the surviving spouse, relatives, personal representative, heirs, or dependents of the officer, partner, member, or sole proprietor so electing. No salary or compensation received by any such bona fide corporate officer, partner, member, or sole proprietor so electing shall be used in computing the premium rate for workers' compensation insurance.

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The original instrument was prepared by Mary Dozier O'Brien. The following digest, which does not constitute a part of the legislative instrument, was prepared by Dawn Romero Watson.

DIGEST

Riser (SB 107)

Present law provides that the workers compensation coverage shall apply to every person performing services arising out of and incidental to his employment in the course of his own trade, business, or occupation, or in the course of his employer's trade, business, or occupation.

Present law provides an exception for the bona fide president, vice president, secretary, or treasurer of a corporation who owns not less than 10% of the stock therein, or a partner with respect to a partnership employing him, or a member of a limited liability company who owns not less than a 10% membership interest therein, or a sole proprietor with respect to such sole proprietorship. Provides allows such persons to elect not to be covered by written agreement. Provides that such election shall not be limited, but shall apply to all trades, businesses, or occupations conducted by the corporation, partnership, limited liability company, or sole proprietorship. Provides that such an election shall be binding upon the employing corporation, partnership, limited liability company, and sole proprietor and the surviving spouse, relatives, personal representative, heirs, or dependents of the officer, partner, member, or sole proprietor.

Proposed law retains present law and specifies that the written agreement be between the officer, member, or sole proprietor and his insurer or group self-insurance fund.

(Amends R.S. 23:1035(A))

Summary of Amendments Adopted by Senate

Senate Floor Amendments to engrossed bill.

1. Corrects reference to group self-insurance funds.